NAN HAN-CHEN

RESOLUTELY STRUGGLE AGAINST IMPERIALISM AND NEO-COLONIALISM AND FOR THE ECONOMIC EMANCIPATION OF THE AFRO-ASIAN PEOPLES

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Mr. Chairman, fellow delegates, brothers and friends,

The Afro-Asian Economic Seminar is formally opened. We are honoured that His Excellency Ahmed Ben Bella, President of the Democratic and People's Republic of Algeria, has personally come to attend the opening session and address us. The independence of Algeria is a great event in the African national-liberation movement of our time. In recent years, the Algerian people, holding high the banner of struggle against imperialism, colonialism and neo-colonialism, have actively supported the national-liberation struggles in Asia, Africa and Latin America and made important contributions to the strengthening of the comradeship-in-arms and solidarity of the peoples of China and Algeria as well as the Afro-Asian peoples. Allow me, on behalf of the Chinese delegation and the Chinese people, to salute the valiant Algerian people and the peoples in Asia and Africa and other parts of the world who are resolutely fighting against imperialism to achieve their complete national liberation.

The present seminar is being held in accordance with the relevant resolution adopted by the Third Afro-Asian Peoples' Solidarity Conference. The Chinese delegation sincerely hopes that through the common efforts of the delegates the seminar will go still further in carrying through and developing the revolutionary spirit of the Afro-Asian Peoples' Solidarity Conference to fight imperialism to the end and, by holding aloft the banner

of the Afro-Asian peoples' solidarity against imperialism, particularly U.S. imperialism, the banner of developing independent national economies, the banner of self-reliance and the banner of mutual support on the basis of equality and mutual benefit, the seminar will carry through the struggle against imperialism, colonialism and neo-colonialism to the end, and make due contributions in pointing out to the Asian and African countries the correct path to full political and economic independence.

Here we cannot but recall the Second Asian Economic Seminar held successfully in June 1964 at Pyongyang, capital of the heroic Democratic People's Republic of Korea, with the participation of delegates and friends from 34 Asian and African countries and regions. That seminar was a great event in the political and economic life of the Afro-Asian peoples. The famous Pyongyang Declaration it adopted further exposed the new schemes of aggression by imperialism, particularly U.S. imperialism, against Asia, Africa and Latin America, and pointed out self-reliance as the correct path for the Asian and other peoples to build independent national economies and thereby to free themselves completely from imperialist, colonialist and neo-colonialist control and plunder. The declaration also called upon the peoples of the three continents to co-operate closely, assist each other, develop and extend economic co-operation between themselves and further intensify their struggle to accomplish the revolutionary tasks of frustrating the policy of aggression and enslavement of the imperialists headed by the United States and achieving social progress. It is quite clear that the Second Asian Economic Seminar fully expressed the valour of the awakened

Asian, African and Latin American peoples who have stood up and become masters of their own countries. It correctly pointed out the immediate tasks of their struggle and gave expression to their long-term and fundamental interests. That is why the Pyongyang seminar has won general approval and enthusiastic support from the peoples of Asia and other regions.

The present world situation is excellent. In the course of the great struggle against imperialism, the revolutionary consciousness of the people throughout the world is constantly rising and the forces of revolution are growing from strength to strength. Notably, since the end of World War II the great victories gained one after another by the broad masses of the people in Asia, Africa and Latin America in their struggle for national liberation have dealt telling blows to imperialism and colonialism and weakened the foundations of their rule. At present, the national-democratic revolution in Asia is developing in depth, the whole of Africa is in the midst of an anti-imperialist revolutionary upsurge and the national-democratic revolutionary movement in Latin America is rising to new heights. Thus, Asia, Africa and Latin America have become the storm-centres of world revolution of our time.

However, imperialism and colonialism will never reconcile themselves to their defeats. They have not and will never step out of the arena of history "of their own accord". They not only carry out acts of aggression, intervention and subversion against the newly independent countries in the political and military fields, but also go a step further in controlling, infiltrating and plundering these countries in the economic field. Therefore, objective facts have shown that the tasks of completing

the national-democratic revolution have not yet been accomplished by the Afro-Asian peoples. We must continuously carry on the military and political struggle against imperialism in order to defend our independence. Moreover, we must also work energetically for the achievement of our economic independence and complete national liberation.

In accordance with the first item of the agenda adopted by our seminar, the Chinese delegation wishes now to submit, for your consideration, the following report entitled, "Resolutely Struggle Against Imperialism and Neo-Colonialism and for the Economic Emancipation of the Afro-Asian Peoples".

In order to make a more penetrating analysis of this subject, we feel it is necessary to make a study of the following three points:

1. What is the root cause of the poverty and backwardness in the economy of the Afro-Asian countries at the present time?

2. Why is it that the development of an independent national economy is the basic way to achieve economic independence?

3. Self-reliance and mutual assistance.

I

It is a great joy to see that in less than 20 years, many newly independent countries in Asia and Africa have made encouraging achievements in the elimination of the remnants of colonialism and its influence and in the development of independent national economies and culture. But, relatively speaking, most of the Afro-Asian

countries have not yet completely freed themselves from poverty and backwardness in the economic field. What then is the root cause of this phenomenon?

The imperialists, colonialists and neo-colonialists have been talking such nonsense as: "You are over-populated", "You are backward and ignorant", "Your national income is too low", "Your rate of savings is too low", and so forth. Obviously all these assertions are shameless lies.

Many indisputable facts show that the root cause of the economic "underdevelopment" of Afro-Asian countries is undoubtedly the continuous aggression, control, rapacious plunder and exploitation by imperialism, colonialism and neo-colonialism. He who refuses to recognize this truth and purposely tries to hide or distort it is but an apologist of colonialism and neo-colonialism.

It is obvious that today while the old colonialists are still trying to use their remaining influence in the newly independent countries to hold on to their colonial interests, the neo-colonialists are resorting to more cunning and deceptive tactics by handing out political independence while continuing their economic control and exploitation in order to keep the newly independent countries under their thumb for ever. It is therefore essential that the Afro-Asian peoples see through this plot in good time.

The following facts are to be noted.

1. Under various forms and in various degrees, the imperialists and old and new colonialists still maintain various kinds of privileges which encroach upon the sovereignty and independence of many countries. Militarily, for instance, the imperialists headed by the United States have the privilege of establishing military bases

and stationing troops in many countries; politically, they enjoy extraterritoriality and, economically, the so-called rights of land concessions, prospecting and exploiting mines, customs administration, issuance of paper money, reduction of and exemption from customs duties and taxes for their enterprises as well as many other unequal stipulations imposed by them through providing so-called "aid" upon the recipient countries. Furthermore, they also have special privileges in the cultural field. In short, all these privileges without exception encroach upon the sovereignty and independence of the countries concerned and violate the basic rights of the Afro-Asian peoples.

2. The imperialists and old and new colonialists still control the major branches of production and economic life lines of many countries. For instance, monopoly capital in several imperialist countries headed by the United States controls more than three-fourths of the known major mineral resources in Asian, African and Latin American countries. About four-fifths of the total output of 22 kinds of important raw materials in Asia, Africa and Latin America are under the control of the monopoly capital of these imperialist countries.

In many countries they also control large plantations, big enterprises, transport and communications, national and international telecommunications, banking and insurance, foreign trade and even the domestic commerce of some countries, in order to make enormous profits out of them.

What merits special mention is the exploitation of the oil resources by the imperialists in Asian and African countries. As is well known, most of the oil resources in Asia, Africa and even Latin America still remain in the hands of the international cartels mainly controlled and

monopolized by monopoly capital of the U.S. and the British imperialists. For years, the Asian, African and Latin American countries have become more and more important as the chief oil suppliers for the imperialist countries. Of the total amount of world oil export, the share of the Asian, African and Latin American countries had increased from 68 per cent in 1938 to 93 per cent in 1961. If we take the four major oil-producing countries in West Asia as an example, we see that in the ten years from 1953 to 1962 the imperialists took from them 1,590 million tons of oil to the value of U.S.$23,630 million. After the deduction of the cost of production amounting to U.S.$2,380 million, the profits and other gains squeezed out by the imperialists come to U.S.$21,250 million, nine times the cost of production! Among these imperialists, the U.S. imperialists are the biggest exploiters of the world's oil production. The five big U.S. oil companies occupy about 70 per cent of the total area of the oil concessions in the Middle East. According to the greatly reduced figures published by official U.S. sources, the oil profits obtained from abroad by U.S. monopoly capital in 1962 amounted to U.S.$1,716 million, i.e., 40.4 per cent of the total net profit of U.S. $4,245 million made by direct U.S. private investment abroad that year. In the same year, total U.S. investments in the oil industry in West Asia amounted to U.S. $1,148 million with a net profit of U.S.$845 million, that is to say, the rate of profit is as high as 73 per cent! Does this kind of robbery of the Afro-Asian peoples' national wealth not make people shudder?

It should also be pointed out that the plunder and control of non-ferrous and rare metals by the imperialist countries headed by the United States in Afro-

Asian countries are equally shocking. For instance, it is well known that such non-ferrous metals as copper in Africa and tin in Asia are respectively controlled by the U.S., British and other imperialists. As to rare metals, the lithium mines in Southern Rhodesia are almost wholly controlled by the four big American lithium companies and the uranium mines in the Congo (Leopoldville) are monopolized by the Union Miniere du Haut Katanga controlled by the United States, Belgium and Britain. According to official statistics, of the total value of rare metals imported by six imperialist countries from the capitalist world in 1962 the United States' share was more than three-fourths. Such rare metals as tantalum, niobium and lithium necessary in the making of rockets, missiles and for atomic industries in the United States are almost wholly imported from Asian, African and Latin American countries, while about 90 per cent of the beryllium and cobalt are also imported from abroad.

The imperialist plunder of Afro-Asian economic resources has an incalculable and disastrous effect on the future economic development of the Asian and African countries.

3. The imperialists also control the international market, manipulate world prices, arbitrarily lower the prices of primary products and raise the prices of manufactured goods, they buy cheap and sell dear, practising non-equivalent exchange and causing great losses to the Afro-Asian countries. According to official statistics, from 1951 to 1961 the general level of the prices of primary products (not including oil) exported by the Asian, African and Latin American countries fell by 33.1 per cent; among these, the prices of agricultural

and mineral materials fell by 39.2 per cent. In the same period, the general level of the prices of manufactured goods imported by these countries from the imperialist countries went up by 3.5 per cent; of these goods the prices of machinery and equipment went up by 31.3 per cent. As compared with the prices in 1951, the Asian, African and Latin American countries lost an astonishing sum of U.S.$41,400 million in the period of 1952-61, and such losses have been increasing every year. While the losses were U.S.$2,400 million in 1952, they went up to U.S.$6,200 million in 1961. Expressed in barter terms, in order to import a tractor of 30 to 39 h.p., Ghana had to export 3.06 tons of cocoa beans in 1955, but 7.14 tons in 1962; similarly, Brazil had to export 2.38 tons of coffee in 1955, but 4.79 tons in 1962; the United Arab Republic had to export 2.11 tons of cotton in 1955, but 3.41 tons in 1962; Burma had to export 26.35 tons of rice in 1955, but 32.57 tons in 1962. In the same period, exports of many countries increased while their earnings in foreign exchange from these exports decreased. This is how large sums of profits rolled into the pockets of the imperialists through what they called "equal" and "voluntary" trade, which actually is outrageous robbery.

4. The imperialists also practise usury in various forms, exacting high rates of interest and seriously impairing the normal development of the national economy of the debtor nations. According to the statistics published by the World Bank, the foreign debts of 71 Asian, African and Latin American countries (or regions) amounted to nearly U.S.$27,000 million in 1962, while a sum of about U.S.$5,000 million was paid that year to service the foreign loans. It is estimated that the total

amount of foreign debts incurred by these countries has now increased to more than U.S.$30,000 million.

High rates of interest which have to be paid for these foreign debts cannot but be a very heavy burden to the debtor nations. For instance, the annual rate of interest for 72 per cent of the loans made by the few major imperialist countries in 1961 was more than 5 per cent, and for some of the loans, annual interest was as high as 7 or 8 per cent. At the same time, in most cases exacting conditions for their use and repayment were imposed on the borrowing countries.

Consequently, even according to official statistics, the capital exported by the imperialists in various forms to 56 "developing countries" from 1956 to 1962 amounted to U.S.$30,000 million, while they squeezed U.S. $15,100 million out of these countries in interest and profit alone. The situation is even worse in some regions and countries. During the above-mentioned period, the foreign capital imported by West Asia amounted to only U.S.$2,800 million, while the interest and profit taken out of this region amounted to U.S.$3,600 million; in Latin America, imported foreign capital was U.S. $9,500 million, while the interest and profit squeezed out of here were U.S.$9,300 million. For this reason, many Asian and African countries which are already deep in debt have to incur new debts in order to pay the old ones. When will the people of these countries be able to get rid of these ever increasing foreign debts which weigh upon them like a huge mountain?

At the same time, it must also be pointed out that the so-called "multilateral aid" through international organizations is a new trap set by the neo-colonialists to exploit the Afro-Asian countries. As is well known, the so-

called International Monetary Fund, the International Bank for Reconstruction and Development (World Bank), the International Finance Corporation and the International Development Association are all "political banks" with U.S. imperialism as their nerve centre for carrying out activities of aggression. For instance, up to June 1963 the World Bank signed loan agreements with Asian, African and Latin American countries amounting to a total of U.S.$5,000 million. These debtor countries, in addition to submitting to harsh terms of trade, must also undertake obligations such as supplying all economic information about their countries, submitting their economic policy and planning to be "reviewed" by the World Bank and accepting its "supervision" over the use of such loans, etc. Does not all this prove that the so-called "multilateral aid" is nothing but a new device of the neo-colonialists for economic penetration and robbery?

As to the so-called "development" loans supplied by the International Development Association, the nominally long-term interest-free loans with only a commission of 0.75 per cent, are but window-dressing put up by U.S. imperialism. From 1960 to June 1963, the International Development Association promised such loans to a limited number of applicants, totalling U.S.$500 million, while actually only U.S.$70 million was issued.

5. The so-called "economic aid" provided by the imperialists, particularly by the U.S. imperialists, is a typical neo-colonialist instrument the object of which is clearly to extend their control and exploitation, even to interfere in the internal affairs of or to subvert the recipient countries.

According to official publications, the long-term investments and net amounts of governmental grants going

to the "developing countries" from the imperialist countries (and the international organizations under their control) come to an annual average of U.S.$2,600 million from 1951 to 1955, U.S.$4,700 million from 1956 to 1959 and U.S.$6,000 million from 1960 to 1962. But the amount plundered by the imperialist countries from these countries in the corresponding periods far exceeded these figures. Take 1961 for example. It is estimated that the gains from investments by the principal imperialist countries in the Asian, African and Latin American countries were at least U.S.$5,000 million in profits, U.S.$500 million in interest (not including that on short-term loans) and U.S.$6,000 million from non-equivalent exchange in import and export trade. These three items amounted to U.S.$11,500 million, the first two alone amounting to U.S.$5,500 million.

It is therefore very clear that the so-called "aid" from the imperialists represents but a very insignificant part of their gains squeezed out of the Asian, African and Latin American countries and is used as a means for new aggression.

Of all the imperialists, the U.S. imperialists, in giving foreign "aid", usually impose on the recipient countries the greatest number of conditions which are most exacting and of a most aggressive and oppressive character.

As is well known, the U.S. imperialists often use their "aid" to force the recipient countries to conclude "treaties of commerce and navigation", "agreements of economic co-operation" or other unequal treaties. The recipient countries have to make commitments such as: (1) "to stabilize the economy, currency, finance and foreign exchange" and "to lower trade barriers" so as to facilitate exports of goods and capital by U.S. imperialism; (2) to

give U.S. citizens "national treatment" and "the most favoured nation treatment"; (3) to "protect the interests of private investments"; (4) to use the "aid" funds in the way determined by the United states; (5) to set up "counterpart funds", the use of which is controlled by the United States; (6) "to supply raw materials" to the United States; (7) to use a very large part of the "aid" funds on U.S. goods which moreover must be transported by U.S. shipping; and (8) to supply the United States with all necessary economic information, etc. We can all see what unequal stipulations these are!

There are also the so-called "Foreign Aid Act", the "Agricultural Trade Development and Assistance Act", etc., which even more openly impose exacting "conditions" upon the recipient countries when granting such "aid".

Furthermore, it is also an open secret that political and military conditions are often attached when U.S. imperialism grants such "aid".

One can see from the above that the aggressive nature of the so-called "aid" by U.S. imperialism has been exposed to the full, without even a fig leaf left on it!

The above-mentioned facts indisputably show that U.S. imperialism is the biggest international exploiter.

At present, U.S. imperialism is resorting to all kinds of new devices, such as the so-called "technical assistance", "peace corps", etc. As the Dar-es-Salaam bi-weekly *Vigilance Africa* very rightly pointed out last January, the members of the U.S. "peace corps" are but "spies and adventurers", neo-colonialist tools in Africa.

Are these not the facts?

The peoples of Asia and Africa are naturally very indignant and strongly condemn all these. Thus, President Ahmed Ben Bella of Algeria laid special emphasis on the fact that "neo-colonialism remains a real danger for the young states", and he said in unmistakable terms: We shall never eat any bread poisoned with an aid which, with attacks, would prevent us from cultivating friendship.

President Gamal Abdel Nasser of the United Arab Republic solemnly pointed out: "America gives us a minimal aid and they think by this aid they can control us and direct our policy. This is impossible." He added that those "who do not like our conduct can drink from the sea!"

As President Sukarno of Indonesia so rightly put it, "Go to hell with your aid! We do not need such aid! Without it we shall continue to go onward."

Prince Norodom Sihanouk, Head of State of Cambodia, also pointed out that one of the objectives of U.S. "aid" was "to poison our administration and our people so that we cannot achieve economic independence and consequently, ensure genuine political independence, by injecting a kind of real opium which would make us give up everything and commit all kinds of treason."

6. The imperialists also control and monopolize maritime shipping and insurance business, and exploit the Afro-Asian countries through invisible trade. The ten Western countries possessing merchant fleets headed by the United States had in 1963 at their disposal a total tonnage of 90 million in merchant vessels (each over 300 tons), and monopolizing over two-thirds of the world's total tonnage. Over 90 per cent of world ocean shipping is controlled by the imperialists. They control the liner

shipping conference (the "freight conference"), colluding with each other to increase freight rates at will. In recent years, the number and scale of freight rate increases in Asia and Africa imposed by the maritime shipping monopolies have reached an astonishing degree. From 1951 to 1961 liner freight rates were increased on five occasions with an aggregate rise of about 60 per cent, and since 1962 they have gone up again. This has greatly increased the economic burdens of the Afro-Asian countries, and it has hit the heavy, bulky and low-priced primary products which represented 85 per cent of the total Afro-Asian exports particularly hard. It is estimated that the net annual freight expenditures incurred by the Asian, African and Latin American countries total no less than U.S.$1,600 million which also flow into the pockets of the imperialist monopoly capitalists.

In the same way, the imperialist monopoly of the world's insurance business has more and more adverse effects on the balance of the insurance payments of the Asian, African and Latin American countries. In 1961 alone, the unfavourable balance in the insurance payments of the latter reached U.S.$370 million.

Brothers and friends,

From the above it is clear that the tremendous exploitation and plundering of the Afro-Asian peoples by the imperialists and old and new colonialists over a long period of years cannot but be the root cause of our poverty and backwardness.

The Afro-Asian peoples have created tremendous wealth with their own hands, but unfortunately in the past few centuries they have become the object of the enslavement and exploitation by the imperialists and old and new colonialists.

As the old saying goes, it is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of god. In a world where there still exist imperialism and colonialism, where can one find any monopoly capitalist who might be called "reasonable"? The truth is that it is exactly these monopoly capitalists who depend on us Afro-Asian peoples for their living, and not vice versa!

We must completely free ourselves of the control, exploitation and all inequalities imposed on us by imperialism, colonialism and neo-colonialism! This is a just demand, the unanimous voice of the peoples of Asia, Africa and Latin America!

The clarion call for the victory of the Afro-Asian peoples in their struggle for full political and economic independence is now resounding throughout Asia and Africa!

II

In the last ten years and more, the Afro-Asian peoples have scored brilliant victories in their struggle for national liberation, ushering in a new era for the building of an independent, prosperous and strong new Asia and new Africa.

From their own experience in the struggle, the Afro-Asian peoples have come to understand that the achievement of political independence is but the first step towards complete national liberation, because political independence and economic independence are inseparable. Political independence is the basic prerequisite for economic independence, but political independence can only

be consolidated through effecting complete economic independence.

Therefore, the fundamental way for the Afro-Asian peoples to realize these aspirations is to develop an independent national economy on the basis of self-reliance and through assistance to each other based on equality and mutual benefit.

In order to free themselves completely from the control and plundering by imperialism, colonialism and neo-colonialism and to radically change the deformed structure of national economy resulting from long years of past colonial rule, it is necessary for the Afro-Asian peoples to make full use of their national resources and gradually to achieve industrialization of their respective countries in accordance with their specific conditions, so that they may change the dependent economy left over from the past into an independent economy and at the same time transform the single-product economy into a diversified economy.

For many years since 1840, old China suffered aggression and plunder at the hands of almost all the colonialist countries in the world, big and small. These countries forced us to sign or accept very many unequal treaties, agreements and other documents. In those days, they enjoyed all kinds of privileges in China. What is more, over 1,000 enterprises owned by foreign monopoly capitalists controlled the lifelines of our national economy. Consequently old China became a semi-colonial and semi-feudal country and its national economy impoverished and backward. Old China was an agricultural country, but it was far from self-sufficient in cotton and food grains. Its industrial foundation was also very weak. It

had no real heavy industry, while its light industry had to depend on foreign countries for technique, capital, raw materials, markets, and so forth. Naturally, the living conditions of the broad masses of our people were very miserable.

Since the founding of the People's Republic of China in 1949, in order to rid ourselves completely of the poverty and backwardness left over from old China, to develop an independent national economy and culture and to gradually raise the material and cultural living standards of our people on the basis of increasing production, we have made efforts in various fields as recounted below:

1. Immediately after the advent of New China, we declared the complete abolition of all privileges enjoyed by the imperialists in old China. In the military field, we abolished the imperialists' "rights" to station troops in China and to navigate on our inland waters. In the political field, we abolished extraterritoriality and the old system of so-called "foreign concessions". In the economic field, we abolished the imperialists' "rights" to control our customs administration which they had enjoyed over a long period of time as well as their "rights" to control our foreign trade, foreign exchange clearance, issuance of paper money, prospecting and exploitation of mineral resources, and their privileges of establishing factories, building railways, owning land, reduction of or exemption from taxes and customs duties and the so-called "freedom to travel" in China. In the cultural field, we also abolished all the privileges they enjoyed, and educated the whole people to be patriotic, and gradually eliminated all the remnant influences left by the old colonial domination.

Since then, the Chinese people have stood up and really hold their destiny in their own hands. For us, a great new era of building a new China has begun.

2. We firmly took hold of all the lifelines of our national economy, including factories, mines, railways, post and telecommunications, foreign trade, finance, banking, insurance, commerce, as well as undertakings in education and culture. At the same time, we made the state-owned sector of the economy the dominant factor in our national economy. At last the old humiliating era of letting foreign monopoly enterprises run the economic lifelines of our country came to an end.

3. We carried out necessary social and democratic reforms, raised the political consciousness of the whole people and gave full play to their enthusiasm and initiative for production and construction. The people are the real masters of our country. Once they come to know the aim of labour and what they are striving for, they will go all out and bring their herculean force into full play on the production and construction front. Land reform was basically completed in 1952, thus abolishing the feudal land system left over from old China, liberating the social productive forces in the countryside, expanding our internal market, and thereby opening up a broad road to the industrialization of our country.

4. In accordance with the conditions of our national resources and technical level, our socialist construction has been carried out in a planned way since 1953. We worked out plans for an active and steady development of our national economy. Targets are decided according to needs and capabilities. We are fully convinced that we are able to transform our country from a backward agricultural country into a prosperous, strong and advanced

country with a modern agriculture, modern industry, modern science and technology and modern national defence in comparatively not too long a historical period.

In the course of our national construction, it has become clear to us that the correct handling of the relations between agriculture, light industry and heavy industry is of great importance.

First of all, in order to carry on national construction, the people must be provided with food, clothing and the necessary articles for daily life. The policy of a diversified economy with food grains as the key link in developing agriculture is therefore an important prerequisite for the rapid development of the national economy and steady industrialization. Agriculture is the basis for the development of the national economy, as it supplies food to the people, provides raw materials and market to industry, accumulates capital for national construction, and supplies other daily necessities to the city population and manpower for national construction. In the course of our construction, running agriculture in a big way and developing agricultural production are precisely for speeding up the industrialization of our country. It is unthinkable that industrialization could be successfully carried out without the necessary food grains, raw materials and a gradually expanding market for industrial products within the country. For most of our Afro-Asian countries today, to achieve self-sufficiency in food grains in time and to free ourselves from dependence on imperialism, especially U.S. imperialism, is of paramount importance in attaining our economic independence. By putting more emphasis on the development of agriculture and light industry in order to gradually develop heavy

industry and speed up industrialization is therefore a very important and successful experience.

In accordance with the specific conditions of our country, we adopted the following two measures to develop our agriculture: Firstly, after the land reform, we gradually led the peasants to get themselves organized on the basis of voluntary participation and mutual benefit, in this way transforming the agriculture of individual economy to collectivized agriculture. Secondly, on the basis of the collectivization of agriculture, technical reform of agriculture was introduced step by step, namely, the modernization of agriculture.

In the last few years, owing to the efforts made by the broad masses of the Chinese peasants, fairly comprehensive experience has been accumulated in technical innovations which were found to be necessary for the development of irrigation projects, the application of more fertilizer, the improvement of soil, the improvement of seed strains, rational close planting, the protection of plants, field management and the reform in the use of tools. Among these, irrigation, fertilizer and soil play a marked role in raising agricultural production.

Experience testifies to the fact that educating the peasants patiently and improving their living conditions step by step so as to give full play to their enthusiasm and initiative for production is a very important factor in the development of agricultural production.

5. In national construction great attention is given to the rational distribution of investment and its economic results. In principle it is better to make more investment in productive enterprises and less in non-productive enterprises. In setting up new enterprises, it is necessary to calculate not only the economic re-

sults of the investments in these particular enterprises but also in the national economy as a whole, and strive to enhance as far as possible the economic results of investments in various aspects of national construction. If the objective conditions are not taken into account, but one-sided emphasis is placed on setting up only large-scale and modern enterprises as well as on seeking to set up all-inclusive units when designing plants, it will inevitably reduce the economic results of the investment. For this reason, we would rather establish more enterprises which require less investment and give quicker results and establish fewer, or even temporarily refrain from establishing, enterprises which require larger investment and give slower results.

We also call on our people throughout the country to save "one sheet of paper" and "one cent of money" to develop the spirit of building our country with diligence and thrift in order to have all our manpower, material and financial resources effectively used in national construction.

6. To get the necessary capital for national construction through internal accumulation of the national economy, our experience has shown that this is a practicable and reliable way. Before liberation, our production level was very low, the national income, of which the imperialists, feudal landlords and comprador-bourgeoisie took a considerable part, was quite limited. It was therefore very difficult to get capital from internal sources. After liberation, this irrational distribution of national income was radically changed, while production has rapidly developed and labour productivity has speedily gone up, and the total national income has correspondingly increased. Thus it is now possible to distribute our national income in accordance with the needs of state planning so as to accumulate the necessary capital to finance national construction and at the same time to raise the living standard of the people. It is therefore a reliable way to solve the problem of capital on the basis of self-reliance.

The national construction carried out by New China in the 15 years since its founding is of a considerable scale. Far from incurring any debt, however small, from any Western country, we have completely paid off all our debts (including interest) to the Soviet Union to the total amount of 1,406 million new rubles. This figure does not include the cost of machinery equipment, blueprints, and the pay for technical experts provided by the Soviet Union, which we already paid off.

Finally, we have taken various effective steps actively to train and expand the ranks of our scientific and technical personnel and managerial personnel of the national economy, so as to meet the needs of the development of the national economy, gradually change the backward state in our science and technology and scale the heights of modern science and technology.

Brothers and friends,

It is a little more than 15 years since the People's Republic of China was founded. In this short period of time, because we have continuously achieved great successes on the economic construction front, our national economy has undergone a tremendous change. Before liberation, we suffered from the domination of imperialism; but now we are entirely able to carry on national construction independently. Before liberation, China was a backward agricultural country, with 80 per cent of the total value of industrial and agricultural output

coming from agriculture; but now we have built up on the basis of self-reliance a fairly powerful industrial system, with the output of industry taking a remarkably higher place in the total value of industrial and agricultural output. Before liberation, China had basically no heavy industry of its own, and the level of technology was very low; but now we have built up a heavy industry which rests on a relatively strong foundation and covers a fairly complete range of enterprises, including mining, ferrous metals, non-ferrous metals, machine building, power, petroleum, chemical and other allied industries. Remarkable advancement has also been made in the level of technology. For example, China is now able to manufacture, from its own resources and by its own engineering skill, many types of high-grade, precision, or big equipment; China's ability to build complete industrial plants by itself has become far greater than before, and the rate of self-sufficiency in the production of the necessary main industrial and raw materials has been considerably stepped up. Besides, the material and cultural life of the vast Chinese population has, on the basis of the development of production, been markedly improved.

As a great Chinese writer once said: "How is a road made? It is made in a trackless place by the passing of men." Indeed, the experience of China has shown that only if the orientation is right, the policies are correct, and the people work hard, it is entirely possible to transform the old national economy in not too long a period of time.

In the course of our economic construction, owing to the lack of experience, we sometimes took roundabout ways and in some of our specific work, mistakes or shortcomings sometimes did occur. Thus we encountered some difficulties, but these were only temporary and it was en-

tirely possible to overcome them. Should we draw useful lessons from them, we may turn difficulties to good account and improve our work. Like other peoples in Asia and Africa, the Chinese people also suffered from long years of imperialist aggression and plunder in the past. Therefore we face common or similar situations and problems. Perhaps the experience of the Chinese people in national construction during the past ten years and more may serve as useful reference for many friends in Asia and Africa, and if so, we shall feel greatly honoured.

III

In the course of developing an independent national economy, the correct handling of the relations between self-reliance and international assistance is of great importance.

We have always held that self-reliance is the foundation-stone of revolution and national construction. In carrying on the revolution and national construction, the people, whatever the size of their country and population, can all rely first of all on their own strength, after which comes aid from other countries. As correctly pointed out in the China-Indonesia Joint Statement which was made public on January 28, 1965, in Peking:

> Self-reliance of the Asian and African countries and economic co-operation between them on the basis of equality and mutual benefit are reliable guarantees for the development of their respective national economies, and are helpful to the safeguarding and consolidation of their national independence.

This not only reflects the common desire of the Afro-Asian peoples but also corresponds to their long-term and fundamental interests.

Certain persons have purposely described self-reliance as a "closed" economy, a return to "medieval times", something which "simply negates the external contacts" and is "a narrow nationalism". Obviously, such assertions are nothing but distortion and lies.

In reality, self-reliance is a vital policy for the newly independent countries. It is reliable and practicable for any country. It is a correct orientation. Given determination, perseverance and endeavour, it can be realized step by step.

Self-reliance means to depend first of all on the labour and ingenuity of the people concerned to carry out their national construction actively. We must help ourselves, depend on ourselves; only by standing on our own feet can we expect to stand firmly and steadily.

Self-reliance also means to make use of all available resources of the country concerned and to carry out the whole national construction mainly on the basis of that country's manpower, material and financial resources.

Premier Kim Il Sung of the Democratic People's Republic of Korea put it very well: "The line of self-reliance and building an independent national economy is a correct one, reflecting the lofty aspiration of the people towards liquidating all forms of oppression and subordination and achieving complete national liberation, independence and prosperity. This line is being translated into reality in a number of countries, and will win final victory in all Asian, African and Latin American countries."

President Ho Chi Minh of the Democratic Republic of Viet Nam also pointed out: "Today the society in the northern part [of Viet Nam] is one where the workers act collectively as masters of their own land; they give full play to the spirit of self-reliance, build socialism diligently and thriftily and create a new life for themselves and the generations to come."

President Sukarno of Indonesia has time and again stressed that "we must build on the basis of our own strength. If our independence is to be real, we must rely upon ourselves". Recently, he said with great foresight: "The crown of independence of a country does not lie in membership in the United Nations. No! The crown of independence lies in self-reliance."

Cambodian Head of State Prince Norodom Sihanouk announced: "Cambodia is no longer prepared to accept American-conditioned aid. Cambodia has decided to rely on its own efforts in developing the country."

Algerian President Ben Bella said: "Algeria should depend on and utilize its own tremendous potentials to build a new country."

President Gamal Abdel Nasser of the U.A.R. also declared that the U.A.R. must rely on itself to fight imperialism and Zionism.

President Modibo Keita of Mali clearly pointed out: "If we depend on other people, our independence will remain incomplete. We must depend first of all on ourselves and only on ourselves."

Premier Pascal Lissouba of the Congo (B) also said: "We are determined, in accordance with the actual situation of our country, to depend first of all on our own efforts to build up a new economy which aims at supplying the indispensable complement for our political

independence and to lay the foundation of a real independence."

President Julius Nyerere of Tanzania emphasized: "Our own progress has to be made by ourselves."

It is therefore clear that to build their own countries and realize full political and economic independence by relying on their own efforts is the unanimous demand and general aspiration of the Afro-Asian peoples.

Of course, self-reliance does not exclude friendly co-operation with other countries. Such co-operation, however, should be in conformity with the principles of equality and mutual benefit with no privileges and conditions attached to it, and should be conducive to the national independence and the sound development of the national economies of the countries concerned.

In accordance with the principles of proletarian internationalism, every socialist country has the duty to assist the Afro-Asian countries which are fighting for full political and economic independence. Such assistance will be sincerely and warmly welcomed by the people of the recipient countries if it really promotes the spirit of self-reliance of these countries to further develop their independent national economies and thereby free themselves of the control of and dependency on foreign countries sooner and quicker.

In order to shake off as quickly as possible the state of backwardness and poverty which has resulted from long periods of colonialist rule and to carry out the fundamental task of developing their national economies, the peoples of Asia and Africa after gaining their independence have embarked on the complete reconstruction of the deformed structure of their national economies which the imperialists left them. We can fully understand that

while doing this, they may have to accept certain amounts of aid from some Western capitalist countries on the basis of equality and mutual benefit.

But, considering the long-term and fundamental interests of the peoples of Asian and African countries, we must resolutely oppose the predatory policies of imperialism, particularly U.S. imperialism, which aim at the plunder of foreign countries; at the same time we must also firmly oppose the U.S. imperialists' schemes to extend "aid" in name but to carry out intervention, infiltration and subversive activities in reality.

For several centuries imperialism and old and new colonialism have, in various forms, plundered and exploited enormous wealth from the Afro-Asian peoples. Now, it is high time for a thorough settling of accounts!

Acting in the spirit of Afro-Asian solidarity, the Chinese Government has consistently made efforts to develop its economic co-operation with other Afro-Asian countries. In the course of their revolution and national construction, the Chinese people have always had the sympathy and support of the people of other Asian and African countries. We have always considered it no more than our internationalist duty to give support to the fighting Afro-Asian peoples. Only 15 years have passed since the founding of New China, and in this short period, we have achieved fairly great successes on the socialist construction front, but, comparatively speaking, the current level of our economic strength is still not very high. But, in the fields of extending aid to Afro-Asian countries to develop their national economies and of strengthening mutual aid and co-operation among the Afro-Asian countries, we have, as much as our capacity permits, contributed our share. As is known to all, the Chinese

people by living frugally have in the past ten years and more furnished certain amounts of funds and materials in support of socialist, and national independent countries. The total amount, at the end of 1964, exceeded the sum total of China's debts, including interest, to the Soviet Union which have already been entirely repaid.

The starting point of our aid to foreign countries is: in accordance with the spirit of proletarian internationalism, first, to support the fraternal countries of the socialist camp to carry out their socialist construction so as to increase the might of the whole socialist camp; secondly, to support the newly independent countries in developing their national economies through their own efforts so as to consolidate their independence and to strengthen the forces of the peoples of the world in their united struggle against imperialism; and, thirdly, to support those countries which are not yet independent in winning their independence.

Acting in this spirit, we have evolved eight principles as a guide in carrying out our economic co-operation with the Afro-Asian countries and in providing aid to foreign countries. These principles are:

1. The Chinese Government always bases itself on the principle of equality and mutual benefit in providing aid to other countries. It never regards such aid as a one-sided favour but as something which benefits both sides.

2. In providing aid to other countries, the Chinese Government strictly respects the sovereignty of the recipient countries and never attaches any conditions or asks for any privileges.

3. The Chinese Government provides economic aid in the form of interest-free or low-interest loans and extends the time limit for the repayment when necessary so as to

lighten the burden of the recipient countries as far as possible.

4. In providing aid to other countries, the purpose of the Chinese Government is not to make the recipient countries dependent on China, but to help them embark step by step on the road of self-reliance and independent economic development.

5. The Chinese Government tries its best to help the recipient countries build projects which require less investment while yielding quicker results, so that the recipient governments may increase their income and accumulate capital.

6. The Chinese Government provides the best-quality equipment and material of its own manufacture at international market prices. If the equipment and material provided by the Chinese Government are not up to the agreed specifications and quality, the Chinese Government undertakes to replace them.

7. In giving any particular technical assistance, the Chinese Government will see to it that the personnel of the recipient country fully master such technique.

8. The experts dispatched by the Chinese Government to help in construction in the recipient countries will have the same standard of living as the experts of those countries. The Chinese experts are not allowed to make any special demands or enjoy any special amenities.

Of course, due to our lack of experience, the above-mentioned principles are only preliminary and need to be further supplemented and improved. We are at present making studies on the following questions: the best use of funds for aid, local costs, technological patent rights, supply of equipment and parts, transport, insur-

ance, prices, conditions of repayment, and so forth, so as to better assist the newly independent countries in developing their national economies and achieve a common upsurge in the national economies of the Asian and African countries.

We shall be much obliged, if our friends from the Afro-Asian countries will be so kind as to make suggestions for improvement of our work.

Brothers and friends,

We must emphatically point out that there are very bright and broad prospects for the economic co-operation among the Afro-Asian countries on the basis of equality and mutual benefit.

Both Asia and Africa have vast land, favourable climate and fertile soil.

Both have exceedingly rich natural resources such as petroleum, copper, tin, uranium, diamonds, natural rubber and other non-ferrous and rare metals, which account for 50 to nearly 100 per cent of known world deposits.

The broad masses of the people in both continents are industrious, courageous and ingenious.

Asia and Africa have ever expanding markets.

All this is a very favourable prerequisite for the development of independent national economies for the Afro-Asian countries as well as for the friendly co-operation among these countries.

For the last few centuries, the imperialists and colonialists have been living upon the fabulous wealth robbed from the Afro-Asian peoples.

At present, a considerable portion of such resources are still monopolized or controlled by imperialism. However, once all these resources return to the hands of the broad masses of the peoples of the Afro-Asian countries,

they will certainly constitute an inexhaustible source of strength for the future economic development of the Afro-Asian countries.

To develop economic co-operation among the Afro-Asian countries is a universal demand and common aspiration of the Afro-Asian peoples, which is of paramount significance to the promotion of the steady development of the independent national economy of each country.

The peoples of the Afro-Asian countries shared a similar experience and the same plight in the past. Therefore, they can best understand each other and most easily know each other's needs. They can best weather storms together, help each other in need and treat each other as equals. Hence, such fraternal economic co-operation established and developed in accordance with the Five Principles of Peaceful Coexistence and the Ten Principles of the Bandung Conference is a new type of international economic relations.

At present, although such economic co-operation is in its initial stage of development, yet with the daily growing strength of the national economy of each country and the new victories successively won by the peoples in these countries in their struggle against imperialism, it will inevitably develop on a wider scale. We are of the opinion that it is opportune at present to explore in accordance with the needs of the countries concerned in developing their national economies and on the basis of equality and mutual benefit, the specific ways and means of co-operation on certain specialized matters (e.g., shipping, insurance, banking, prices, and so on) and to carry out such activities step by step so as to accumulate experience and to expand the economic co-operation in the Afro-Asian regions.

Brothers and friends,

The present seminar where a large number of delegates and friends from many countries or regions are happily meeting, exchanging views on problems of common concern and experiences and learning from each other will certainly make a positive contribution to the further strengthening of the solidarity of Afro-Asian peoples, to the struggles of the peoples of Afro-Asian countries against imperialism and old and new colonialism, to the building and development of an independent national economy and the achievement of a full political and economic independence of each country. We strongly condemn the piratical acts of the Johnson Administration of the United States to expand the war in south Viet Nam and firmly support the righteous struggle of the south Vietnamese people against the U.S. aggressors and their running dogs; we resolutely oppose the armed U.S. aggression against the Democratic Republic of Viet Nam, and support its righteous struggle against the aggression of U.S. imperialism; we firmly support the struggle of the Laotian and Cambodian peoples against the aggression and intervention of U.S. imperialism; we resolutely support the struggle of the Korean people against U.S. occupation of south Korea and for the peaceful reunification of their fatherland; we firmly support the struggle of the Indonesian people to oppose the so-called "Malaysia", the product of U.S. and British imperialism; we firmly support the struggle of the people of North Kalimantan for national independence; we firmly support the patriotic anti-U.S. struggle of the Japanese people; we strongly condemn the direct armed aggression against the Congo (Leopoldville) by U.S. imperialism in collusion with Belgian colonialism and support the just struggle of the Congolese people; we firmly support the people of the Arab countries in their struggle against imperialism headed by U.S. imperialism and against its tool of aggression, namely, Israel, and support the struggle of the Arab people of Palestine to return to their homeland; we firmly support the peoples of Angola, Portuguese Guinea, Mozambique, Southwest Africa, Bechuanaland, Basutoland, Swaziland, South Africa, and Zimbabwe and of other countries in their revolutionary struggles against imperialism and for independence and freedom. Here it must be emphatically pointed out that today the United Nations is in fact still controlled by U.S. imperialism. For many years, the United Nations has, by its actions, proved that for all its fine words, it stops at no evil deeds. It cannot reflect at all the position of the Afro-Asian countries in international affairs. The Afro-Asian countries have suffered many bitter experiences from the United Nations. It is only a tool of U.S. imperialism for pushing neo-colonialism. Therefore we believe that the Afro-Asian peoples must keep their eyes wide open, be vigilant and cherish no illusions about it. Let us, Afro-Asian peoples and peoples of the world unite even more closely. Let us persevere in struggle, defy difficulties, advance wave upon wave, carry the struggle against imperialism, especially against U.S. imperialism, to the end and thoroughly achieve the national liberation of the peoples of all Afro-Asian countries. Victory will certainly belong to the peoples of the world!

Thank you.

坚决进行反对帝国主义和新殖民主义
的斗争，实现亚非人民的經济解放

南 漢 宸

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